



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 21, 2014

Certified Return Receipt
7012 3460 0002 9559 5727

Bank of America
Scranton Standby
Trade Operations
1 Fleet Way
Scranton, Pennsylvania 18507

Subject: Non-Renewal of Letter of Credit, Georgia-Pacific Gypsum LLC, Georgia-Pacific Gypsum Quarry, M/041/0009, Sevier County, Utah

Dear Sir or Madame:

The Utah Division of Oil, Gas and Mining (Division) received your letter dated December 24, 2013, regarding non-renewal of Letter of Credit ("LOC") in the amount of \$122,000.00. The Division has notified Georgia-Pacific Gypsum LLC ("GPG") that it must provide a replacement surety by February 22, 2014. If GPG does not provide the requested replacement surety by February 22, 2014, the Division will submit to you its sight draft for the full face value of the LOC. Upon submission of the sight draft, the Division anticipates that payment of \$122,000.00 will be made by delivery of certified funds payable to the State of Utah within two days following your receipt of the sight draft. Payment should be sent to the above address by a next day delivery. Upon receipt of the \$122,000.00, the Division will hold the funds as surety for itself and the Bureau of Land Management to be used for reclamation of the Georgia-Pacific Gypsum Quarry.

The Division is proceeding as if the operator will not fulfill this bonding requirement and the Division will have to move forward with the presentation of the sight draft. Please advise if you have any questions and let me know in writing if this procedure is not acceptable.

Thank you. If you have any questions, please feel free to call me at (801) 538-5261.

Sincerely,

Paul Baker
Minerals Program Manager

PBB:pb

Enclosure: Letter dated December 24, 2013, and Sight Draft

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